



GEORGIA DEPARTMENT OF REVENUE

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Possible Wrongful Collection of New Sales Tax On Vehicle Transactions Within Metro Atlanta

ATLANTA—Individuals who recently leased, purchased or rented a vehicle from a dealer located in metro Atlanta may have been charged excess sales tax on the transaction.

"The sale, lease, and rental of automobiles are exempt from the one-percent Metropolitan Option Sales Tax that went into effect on Oct. 1," explained Georgia Revenue Commissioner Bart L. Graham. "We have been notified that a major tax reporting company that works with many automobile related businesses failed to inform its clients of this exemption from the Metropolitan Option Sales Tax."

"We encourage anyone who leased, purchased or rented an automobile from a dealer located in metro Atlanta since Oct. 1 to check their invoice to ensure the proper amount of sales tax was paid," said Commissioner Graham. "Individuals who discover that they paid an incorrect amount of tax should provide a copy of the invoice to the dealer and request a refund or ask the dealer to take some other corrective action."

The Department has notified the affected parties of the omission and the companies said they would correct the error. Additionally, the Department has contacted several non-automobile related businesses, which initially were incorrectly collecting the tax.

"As these problems have come to our attention, we have aggressively taken steps to rectify the situation and inform the businesses involved of their error," the Commissioner said.

Revenue generated by the Metropolitan Option Sales Tax, which was approved by Atlanta voters in a July 20 referendum, will be used to fund renovations to Atlanta's water and sewer system. The tax is only collected on retail sales occurring within the incorporated city limits of Atlanta.

To assist the City of Atlanta in implementing their Metropolitan Option Sales Tax, the Department posted information about the tax on its web site in August and included a statement about the new tax on the September sales and use tax returns mailed in September to 130,000 retailers located throughout the United States.

Individuals desiring more information can call 404-417-4480 or visit the Department's web site at www.gatax.org.

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